GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1240
ANSWERED ON:02.03.2006
COOPERATION IN OIL SECTOR WITH SAUDI ARABIA
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Saudi Arabia has invited Indian oil companies for collaboration in oil and gas exploration projects;

(b) if so, the details thereof;

(c) the steps taken by the Government in this regard;

(d) whether any agreement has been signed in this regard;

(e) if so, the details thereof; and

(f) the estimated profit likely to be accrued therefrom?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (f) During the state visit of the King of Saudi Arabia to India in January 2006, the Delhi Declaration was signed by the Prime Minister of India and the Saudi Monarch on 27th January, 2006. The Declaration sets out a common vision for regional and bilateral cooperation and an agenda for cooperation in specific areas.

In terms of the Declaration, the two countries have agreed to develop `a strategic energy partnership based on complementarity and interdependence`. The elements of this `Partnership` shall include:

(i) joint ventures in the public and private sectors in the upstream and downstream oil and gas sectors in India and Saudi Arabia as well as in third countries;

(ii) Saudi investments in oil refining, marketing and storage in India; and,

(iii) setting up of Indo-Saudi ventures for gas-based fertiliser plants in Saudi Arabia.

The Declaration provides that the two Governments would support the efforts of the business persons of the two countries to pursue cooperative projects for mutual benefit. The Delhi Declaration is expected to provide a sound basis for profitable and mutually beneficial Indo-Saudi cooperation in the petroleum sector in the coming years.